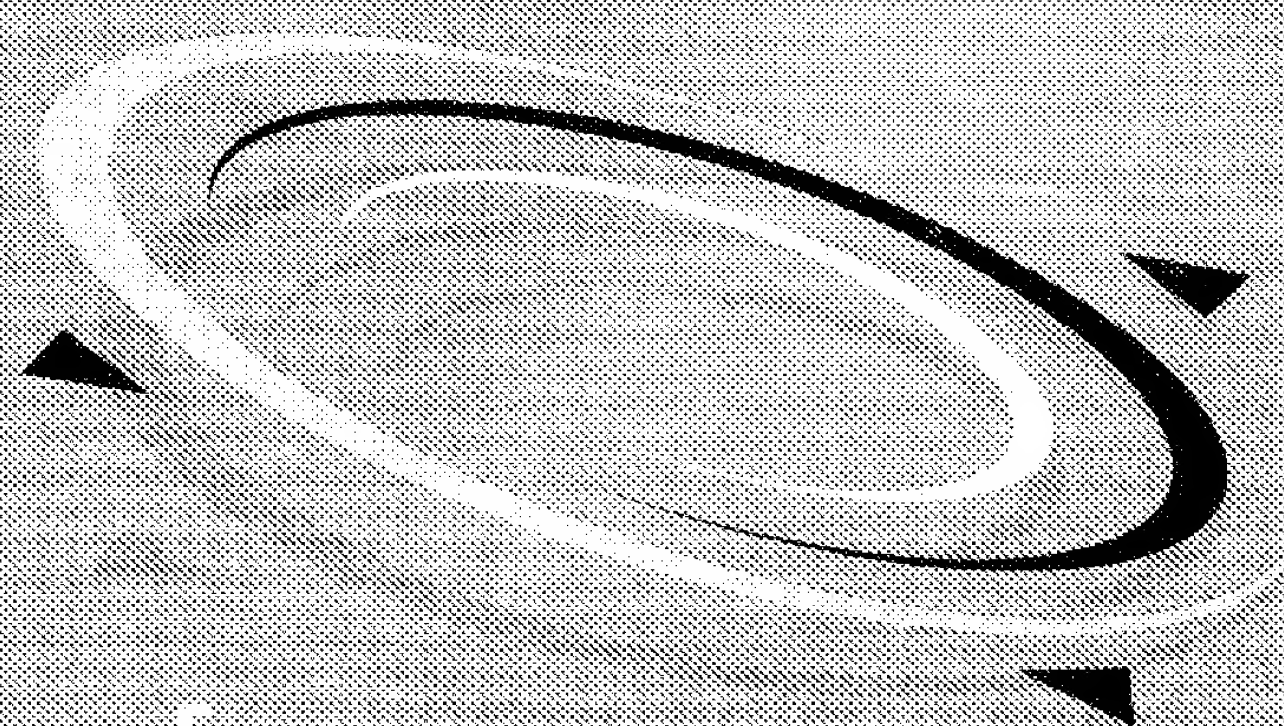
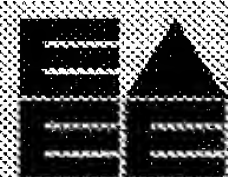


# RESE ARCH MMAD



[Αποτέλεσμα διεθνών τάσεων  
για τον προσανατολισμό της επικοινωνίας.]

OFFANON



ΟΙ ΔΡΟΜΟΙ ΤΗΣ ΑΝΑΓΕΝΝΗΣΗΣ  
83 ΣΥΝΕΔΡΙΟ ΕΠΙΚΟΙΝΩΝΙΑΣ  
ΓΚΑΖΙ, 2-4 ΔΕΚΕΜΒΡΙΟΥ 1999



## research millenniumad

In view of MILLENNIUMAD's spirit and the objective to include all specialized sectors involved in Marketing and Advertising/Communication, Market Research has been used to guideline both the greater subject-areas that are covered in the Conference and its final program of sessions.

To this end, two stages of research have been conducted by FOCUS ATHENIAN MARKET RESEARCH CENTRE:

### a) EXPLORATORY

Highly specialized and experienced moderators conducted 25 qualitative interviews with Top Managers in Marketing and Advertising, with the purpose to:

- Identify the areas of greater interest in relation to Advertising and Brand Promoting activities to be developed in the future, and...
- Explore potential participants expectations and needs to be covered by the contents of the Conference.

The outcome of this research stage was used in finalizing the structure and contents of the Conference's program, and also comprised the basis for the design of the questionnaire that was used in the second stage of the research.

### b) EXTENSIVE QUANTITATIVE STUDY

This survey gathered opinions, expectations, as well as difficulties and problems regarding brand communication and their perceived solutions that are anticipated in the future, taking into consideration consumer trends and technological developments.

In total, the study's sample is 650, covering top executives working in Marketing, Advertising, Direct Marketing, Media Specialists, P.R., Event/Sponsorships, Promotions, Internet Designers, Market Research and Media, from Greece and from 33 countries of all 5 continents.

The findings and conclusions of this international survey which was designed, conducted and analysed by FOCUS exclusively for MILLENNIUMAD, are presented during the conference, and are distributed to all participants of the Conference in the present report.

**FOCUS**

ATHENIAN MARKET RESEARCH CENTRE



# TECHNICAL SPECIFICATIONS

## THE UNIVERSE

The universe has been Top Executives and Managers working in all sectors involved in the Marketing and Advertising of products/services all over the world, and fieldwork was conducted with the help of a self-completion questionnaire distributed and collected via fax or e-mail.

## THE SUBJECTS

The survey touched upon the Conference's broad areas, these being:

- Expected changes in consumer trends
- Media Developments
- Role of the Internet
- Future developments of specialized sectors related to Advertising/Communication
- Role, structure and required changes of the Advertising Agencies in the future.

## THE SAMPLE

The survey's total sample is 650, with the following structure regarding country and specialization:

• Advertisers	→	148
• Advertising Agencies	→	357
• Other related specializations*	→	145
• Greece	→	420
• 33 other countries**	→	230

\* Direct Marketing, PR, Events/Sponsorship, Promotions, Internet Designers, Market Research, Media (TV, Radio, Print).

\*\* Including all 5 continents



## **BASIC RESULTS**

**A. THE CONSUMER TRENDS**

**B. THE INTERNET**

**C. THE NEW FORMS OF ADVERTISING /  
CREATIVITY**

**D. THE MODEL OF ADVERTISING  
AGENCIES IN THE FUTURE**



# THE CONSUMER TRENDS

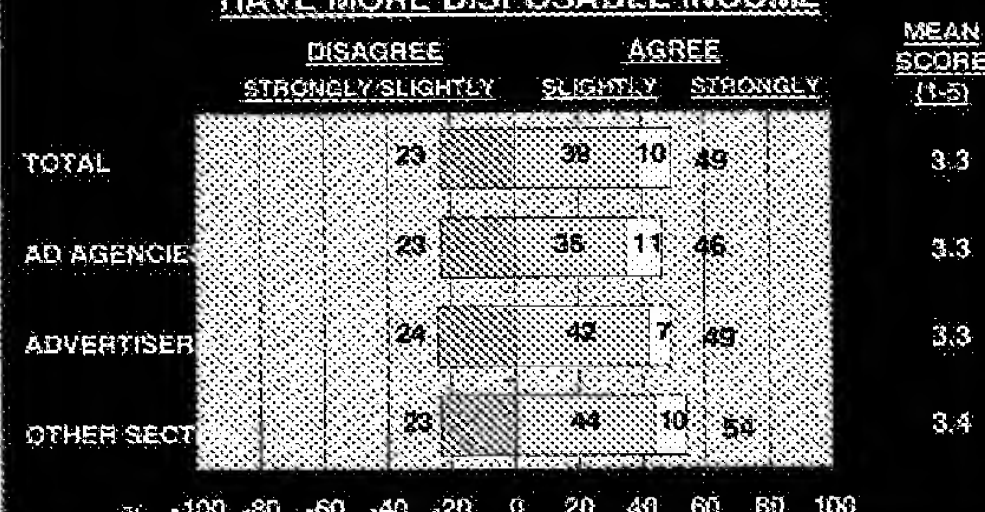
Consumers are expected to have a rather higher disposable income in the future, and to this end, Managers in Greece are rather more pessimistic than those abroad.

Despite this perception, it is observed that consumers are expected to become more cost conscious and make more rational brand selections in the future; this perception is particularly stronger among advertisers as opposed to communication specialists who, similarly to Greek Managers, tend to feel that consumers will still act emotionally to a larger extent.

On the other hand, it is expected that consumers will shift their spendings from "material" goods such as food and clothing to areas such as entertainment, health, education etc., obviously adapting to the new trends that promote a better quality of life.

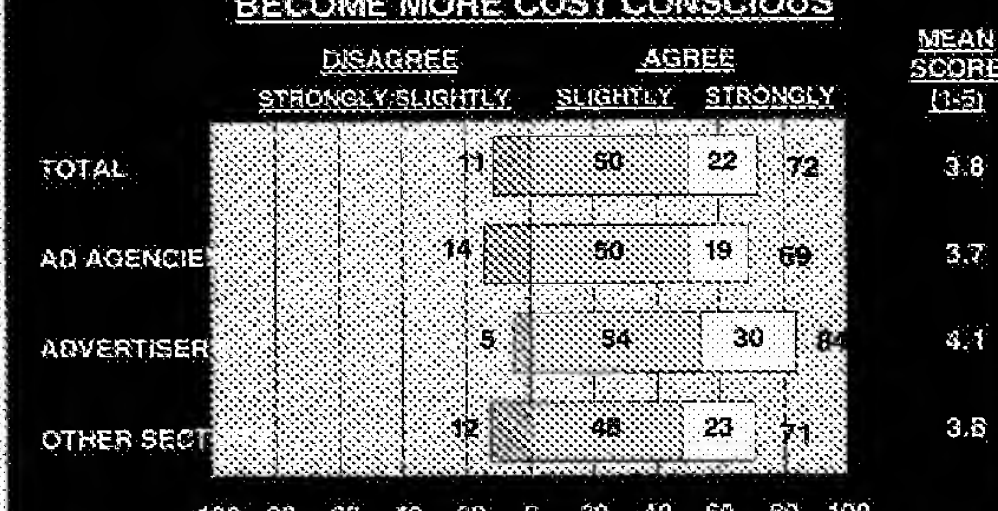
## CONSUMERS IN THE FUTURE ARE EXPECTED TO:

### HAVE MORE DISPOSABLE INCOME



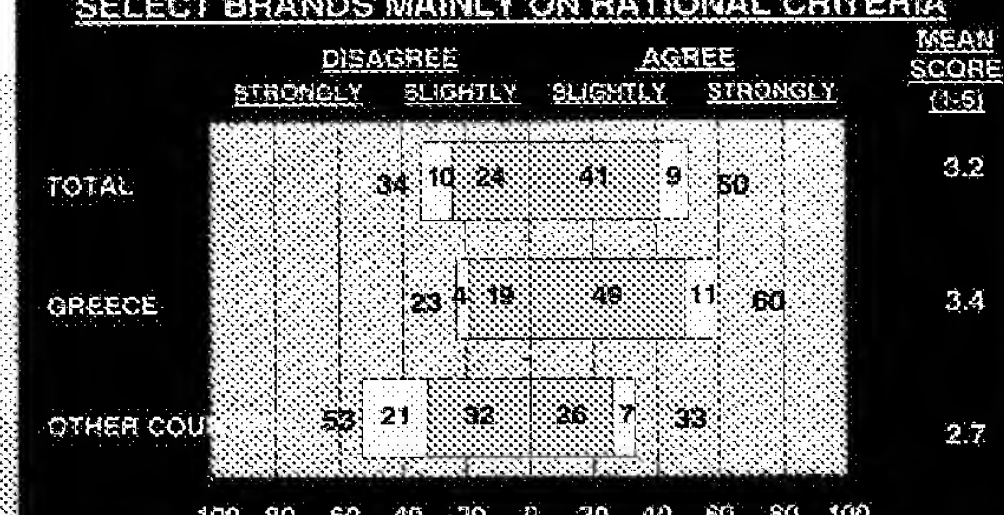
## CONSUMERS IN THE FUTURE ARE EXPECTED TO:

### BECOME MORE COST CONSCIOUS



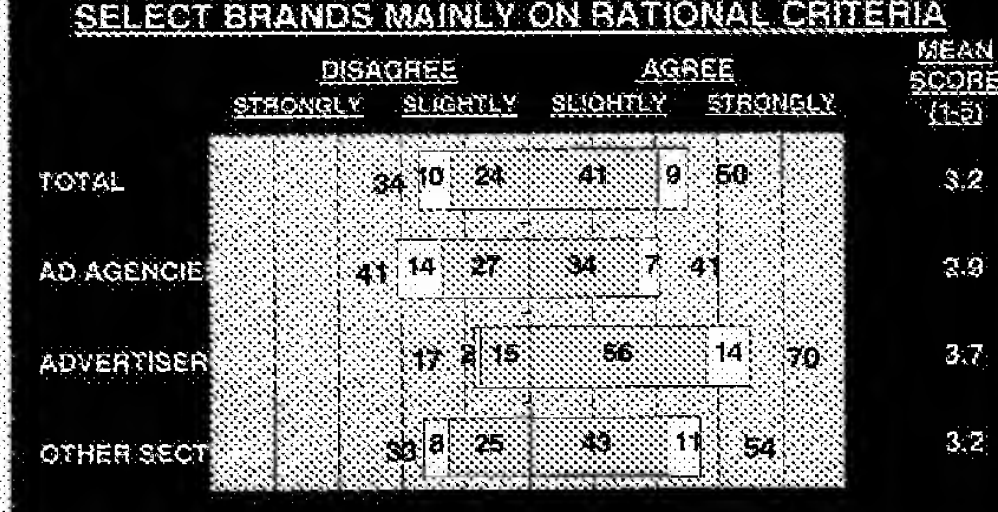
## CONSUMERS IN THE FUTURE ARE EXPECTED TO:

### SELECT BRANDS MAINLY ON RATIONAL CRITERIA



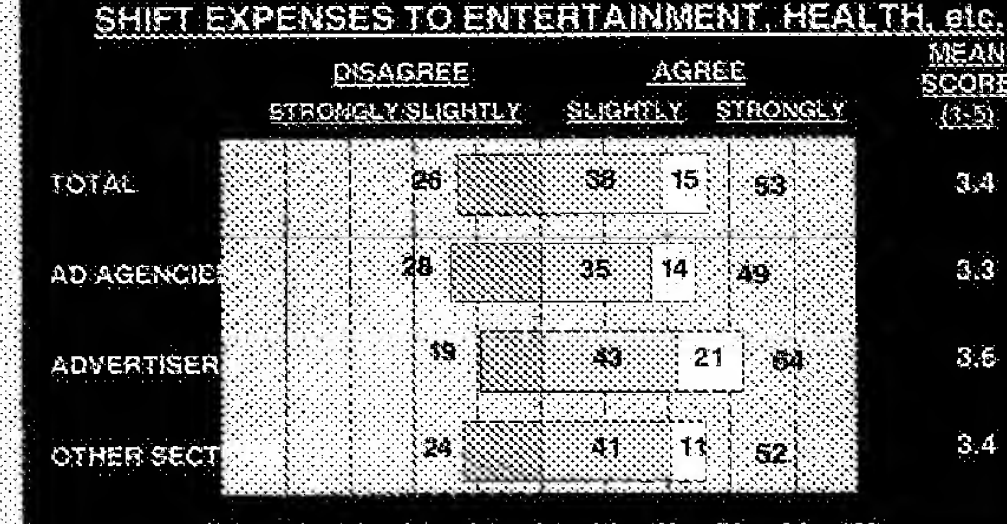
## CONSUMERS IN THE FUTURE ARE EXPECTED TO:

### SELECT BRANDS MAINLY ON RATIONAL CRITERIA



## CONSUMERS IN THE FUTURE ARE EXPECTED TO:

### SHIFT EXPENSES TO ENTERTAINMENT, HEALTH, etc.



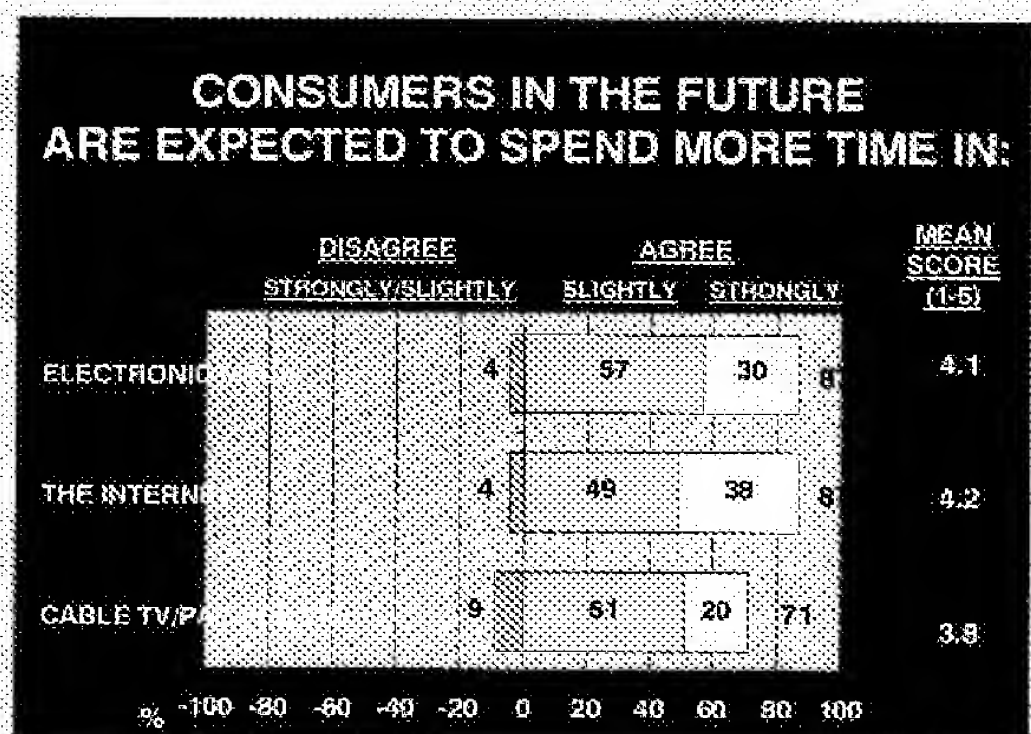
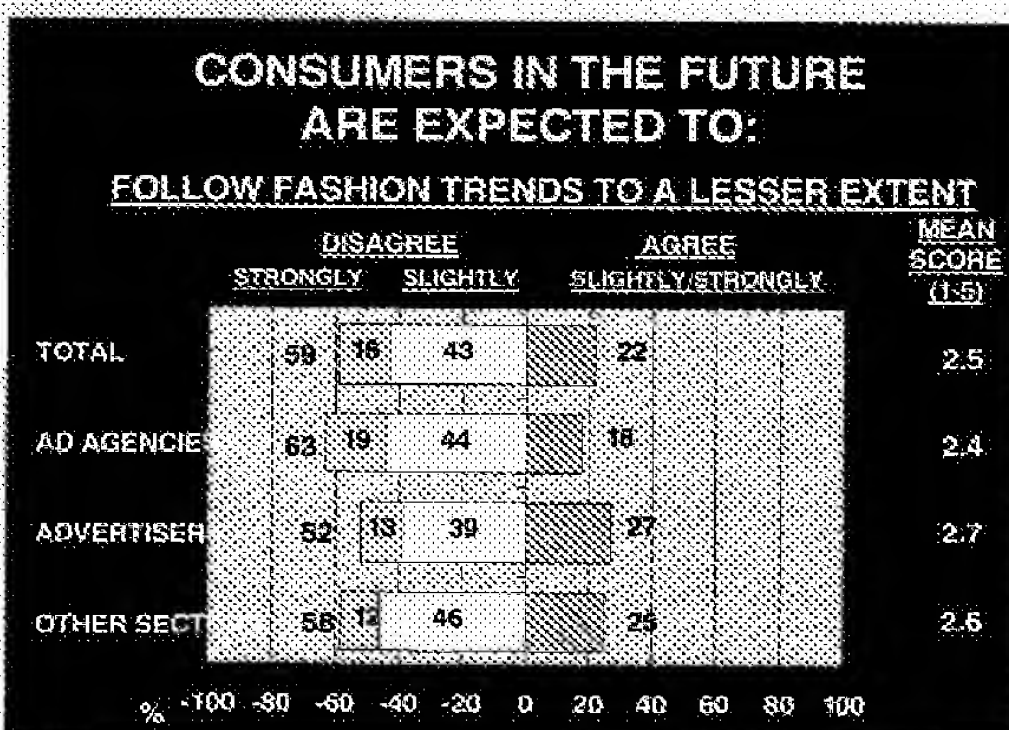
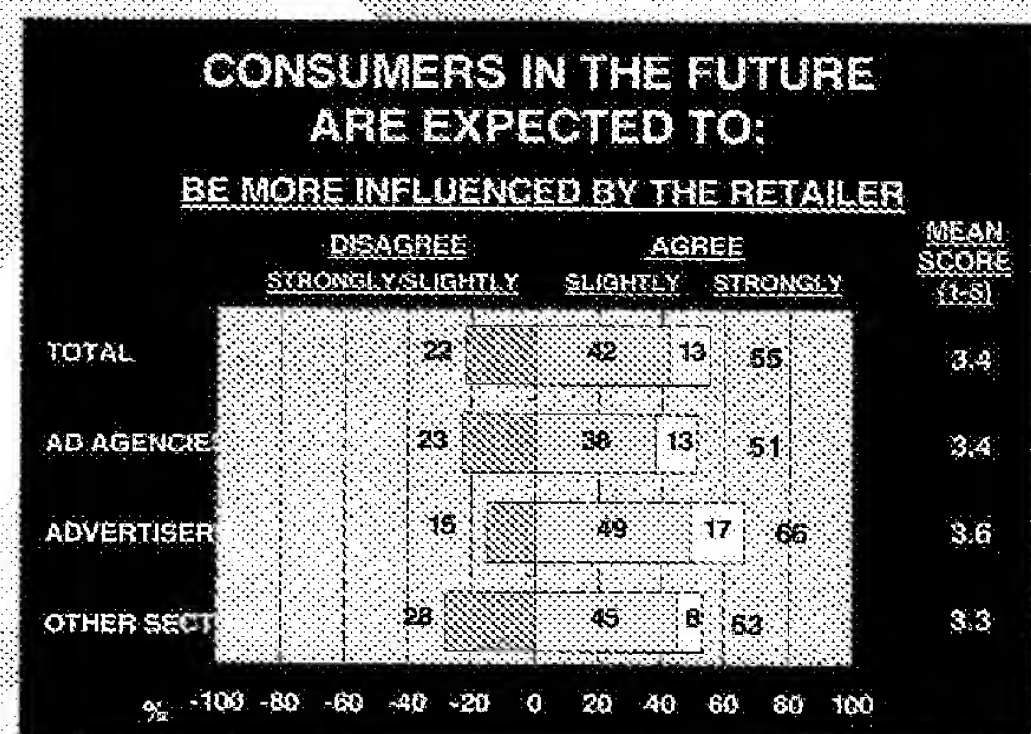
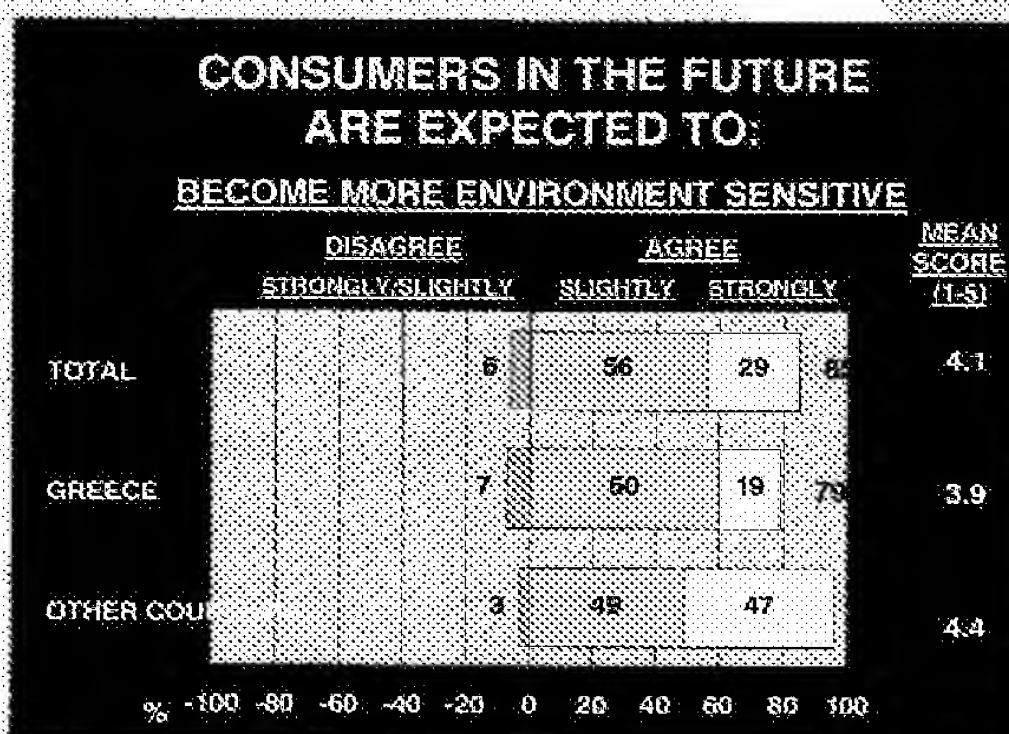
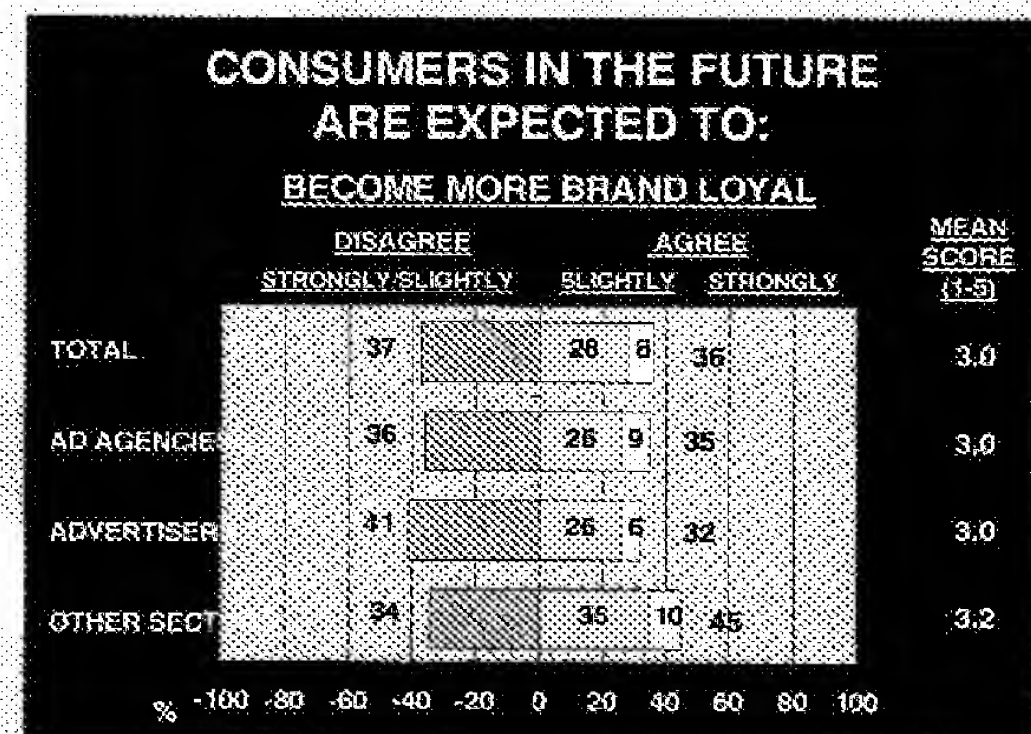


This is also in accordance to the fact that consumers are expected to become more sensitive regarding environmental issues in the future (Greeks, again, are rather more pessimistic in this respect).

On the whole, it is expected that consumers will still be "fashion driven" in the future, as is perceived by all specialisations in the communication industry, although advertisers do not tend to feel so strongly in this respect.

Consumers are not expected to become more brand loyal in the future and it is anticipated that they will be rather more influenced by the retail trade than today, and this is a slightly stronger belief among advertisers.

In terms of media, it is a common perception that in the future, consumers will reduce the time they devote in the traditional media, in favour of the electronic media, cable TV / pay per view as well as the Internet.





# THE INTERNET

The Internet is by all perceived as a major medium through which consumers will seek information on products/services, and as such, ...

It is believed that it will rather result in consumers' squeezing the time they devote to other media.

Moreover, the Internet is expected to become an important source of purchase at least for specific product/service categories.

Consequently, virtually all respondents admit that the creation of a web-site is of crucial importance for all businesses, although ...

## HOW IMPORTANT IS A WEB-SITE FOR A BUSINESS?

	NOT SO MUCH/ NOT AT ALL			QUITE/ A LOT		VERY MUCH	MEAN SCORE (1-5)
TOTAL				2	30	63	4.6
AD AGENCIES				2	32	62	4.5
ADVERTISERS				2	35	57	4.5
OTHER SECT				1	21	74	4.7

% -100 -80 -60 -40 -20 0 20 40 60 80 100

## THE INTERNET IN THE FUTURE IS EXPECTED TO:

	DISAGREE				AGREE				MEAN SCORE (1-5)			
	STRONGLY		SLIGHTLY		SLIGHTLY		STRONGLY					
BE A MAJOR SOURCE OF INFORMATION				1	27	68			4.6			
REDUCE TIME SPENT ON TV AND MEDIA			12		43	15	58		3.6			
BE A SOURCE OF INFORMATION FOR SPECIFIC GROUPS				2	26	48		54	4.3			
	100	-100	-80	-60	-40	-20	0	20	40	60	80	100

% -100 -80 -60 -40 -20 0 20 40 60 80 100

## HOW IMPORTANT IS A WEB-SITE FOR A BUSINESS?

	NOT SO MUCH/ NOT AT ALL			QUITE/ A LOT		VERY MUCH	MEAN SCORE (1-5)
TOTAL				2	30	63	4.6
GREECE				2	30	64	4.6
OTHER COUN				1	30	63	4.5

% -100 -80 -60 -40 -20 0 20 40 60 80 100



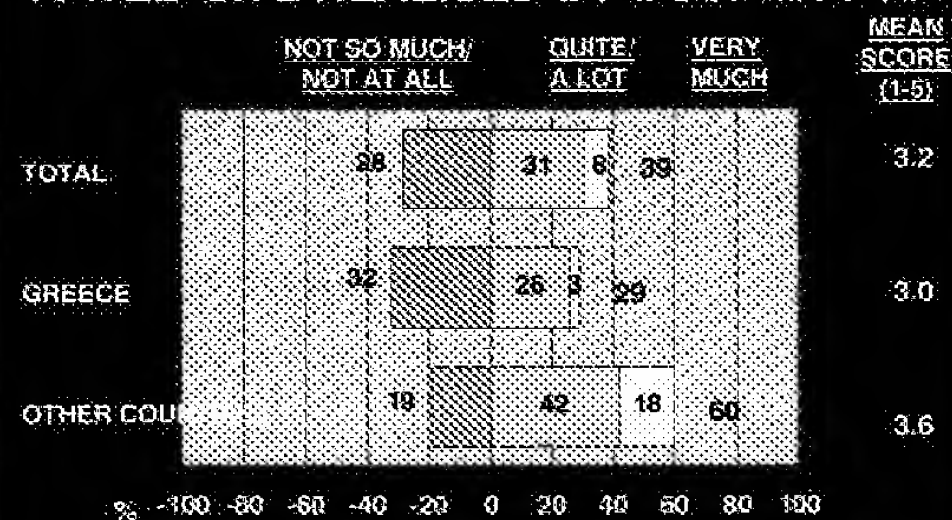
It is quite clear that the same people admit that this need is not as strongly realised by business in their country as it should be!

As far as the role of the Internet as an advertising medium is concerned, the majority feels that it will be very much so in the future.

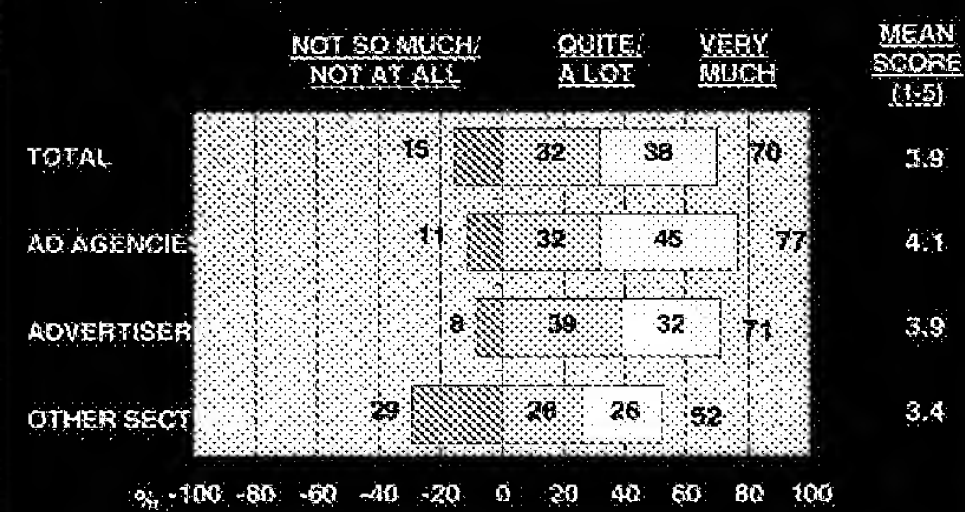
Consequently, advertising agencies are expected to play an important role both in creating web-sites and in using the Internet as a medium, though ...

This seems to be a stronger perception among ad agencies themselves than advertisers and other communication specialists.

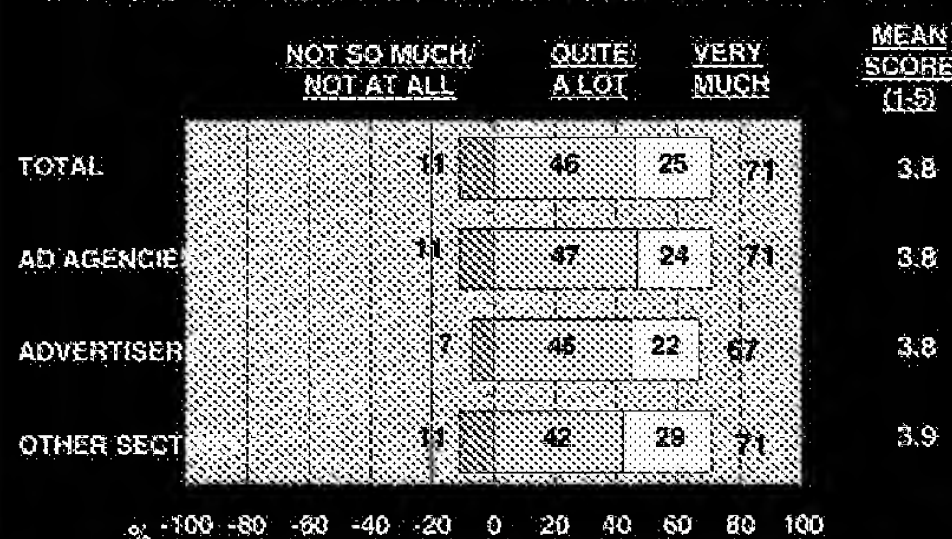
#### TO WHAT EXTENT IS THE NEED FOR A WEB-SITE REALISED BY BUSINESSES?



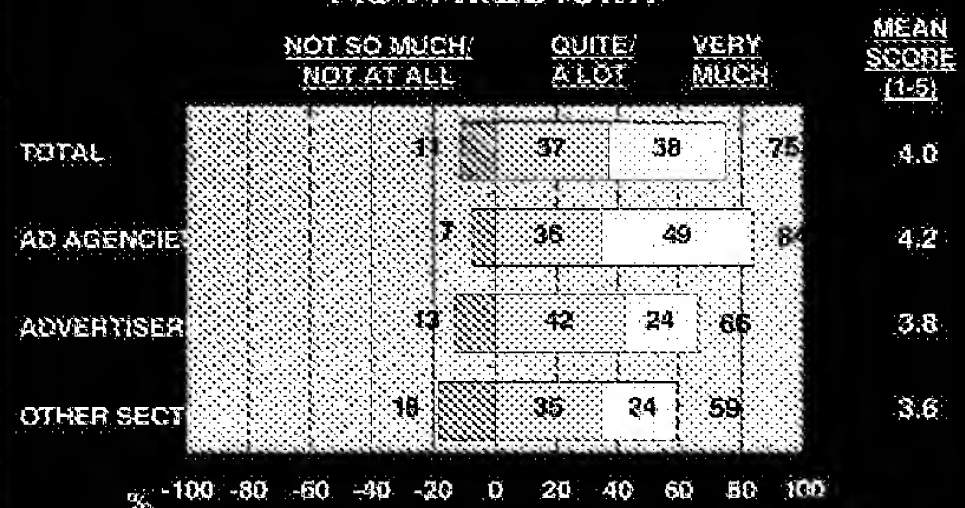
#### HOW IMPORTANT WILL THE ROLE OF AD AGENCIES BE IN WEB-SITE DESIGN?



#### TO WHAT EXTENT WILL THE INTERNET BE USED AS AN ADVERTISING MEDIUM?



#### HOW IMPORTANT WILL THE ROLE OF AD AGENCIES BE IN USING THE INTERNET AS A MEDIUM?





# THE NEW FORMS OF ADVERTISING / CREATIVITY

Initially it should be noted that both Ad Agencies and Advertisers tend to agree that the advertising budgets in the future will rather be increased, possibly in view of the anticipated variety in advertising forms.

At the same time, it is admitted by all that Advertisers' expectations from their Agencies will also be increased in the future, and ...

Their criteria for evaluating their Advertising Agencies will become stricter in the future.

## ADVERTISERS WILL BE MORE DEMANDING

	DISAGREE				AGREE			MEAN SCORE (1-5)
	STRONGLY/SLIGHTLY		SLIGHTLY		SLIGHTLY		STRONGLY	
TOTAL				1	36		59	4.5
AD AGENCY				1	36		60	4.5
ADVERTISER					40		58	4.6

% -100 -80 -60 -40 -20 0 20 40 60 80 100

## IN THE FUTURE, ADVERTISING BUDGETS WILL BE INCREASED

	DISAGREE				AGREE			MEAN SCORE (1-5)
	STRONGLY/SLIGHTLY		SLIGHTLY		SLIGHTLY		STRONGLY	
TOTAL			21		40	12	52	3.4
AD AGENCY			22		39	11	50	3.4
ADVERTISER			20		42	12	54	3.5

% -100 -80 -60 -40 -20 0 20 40 60 80 100

## EVALUATION CRITERIA FOR AD AGENCIES WILL BE STRICTER

	DISAGREE				AGREE			MEAN SCORE (1-5)
	STRONGLY/SLIGHTLY		SLIGHTLY		SLIGHTLY		STRONGLY	
TOTAL				3	42		48	4.3
AD AGENCY				4	44		42	4.2
ADVERTISER				1	39		55	4.5

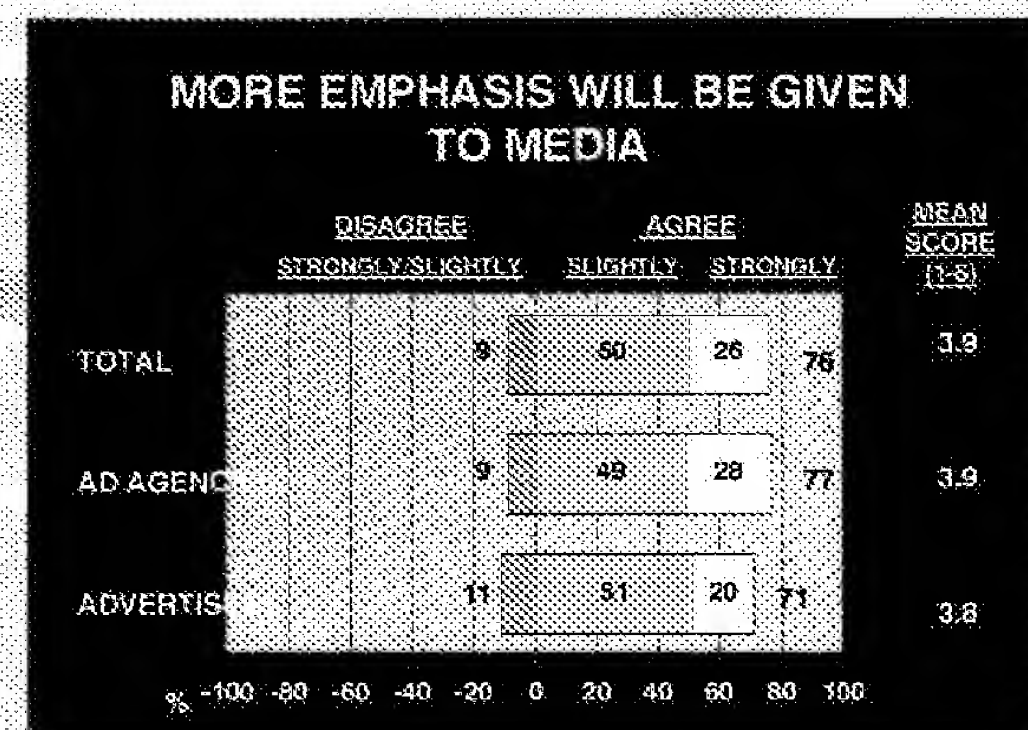
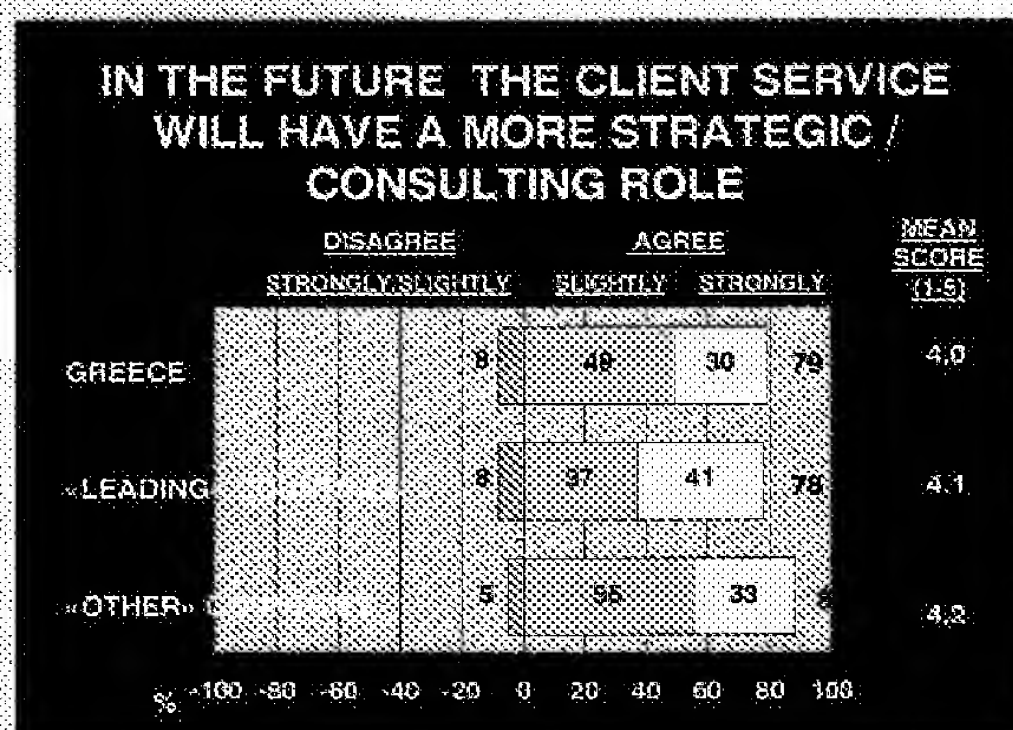
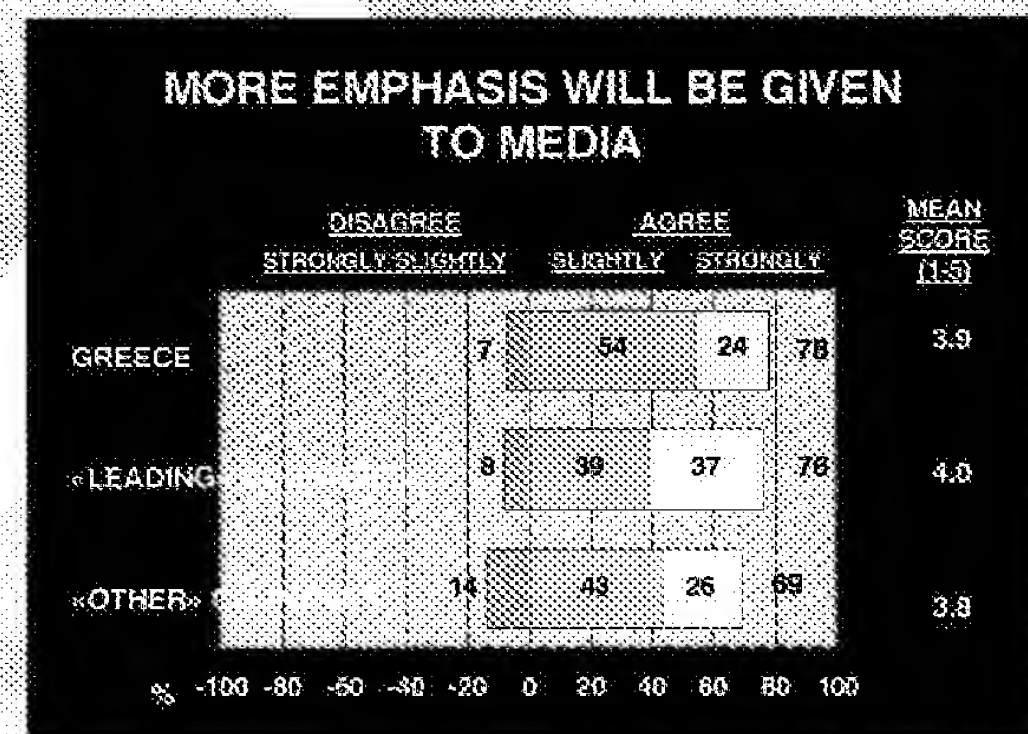
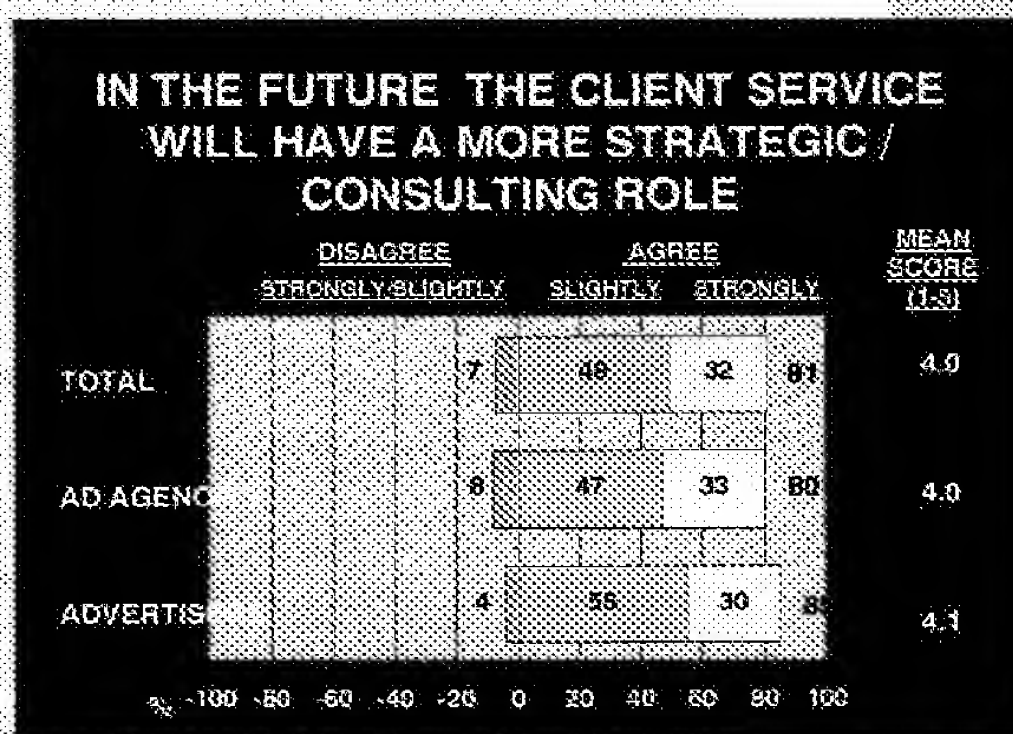
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As far as the role of the three "classic" functions of the Ad Agency are concerned, it is observed that ...

In the future, all Managers in all countries and sectors anticipate a more strategic and consulting role on the part of the Client Service, as well as ...

A stronger emphasis on Media.





At this point, it is important to look at the differences in results between the countries, distinguishing them into:

(a) Greece

(b) The "leading" countries (USA, UK, France, Italy, Germany, Spain)

(c) The rest of the countries outside Greece

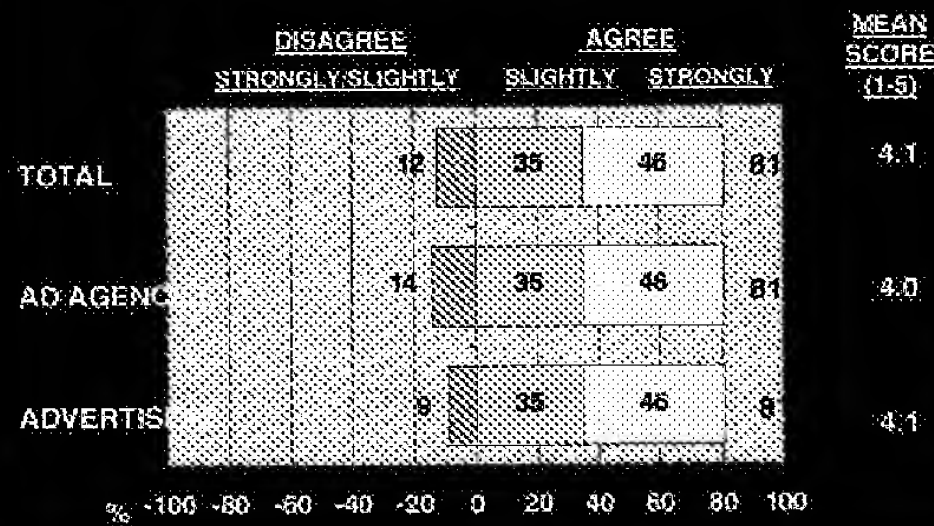
When it comes to the role of a creative aspect, which has always been considered the core of the advertising function, it is found that all respondents feel that it will have to gather the utmost emphasis in the future. In this respect, the leading countries present a much higher score than Greece and the other countries, obviously because they represent the strongest decision-making centres.

Moreover, there seems to be a great difference between the countries in terms of the role of Advertising Agencies in the future, in that ...

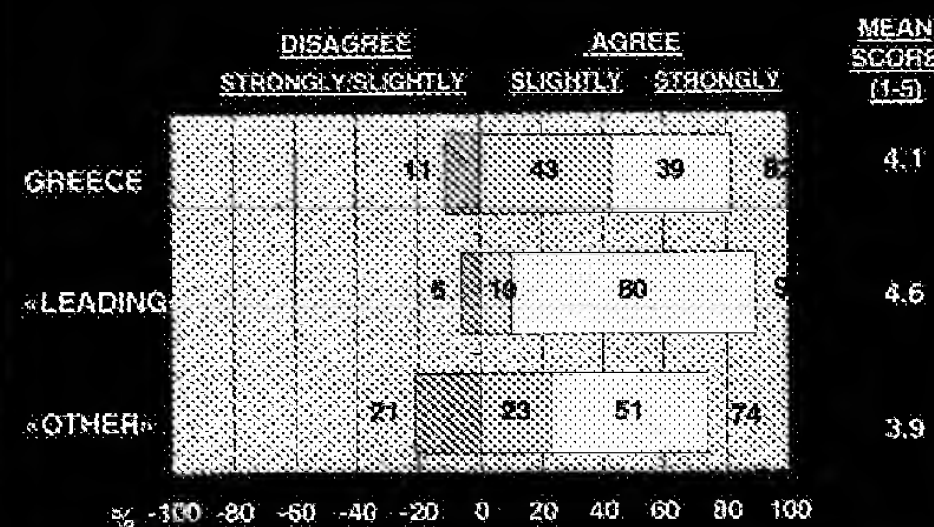
Leading countries anticipate a highly creative and strategic role of Advertising Agencies in the future, while ...

The other countries and particularly Greece feel that the function of Ad Agencies in the future might include more "adaptations" and "executions", obviously because their countries are either smaller in population, or do not include decision making centers.

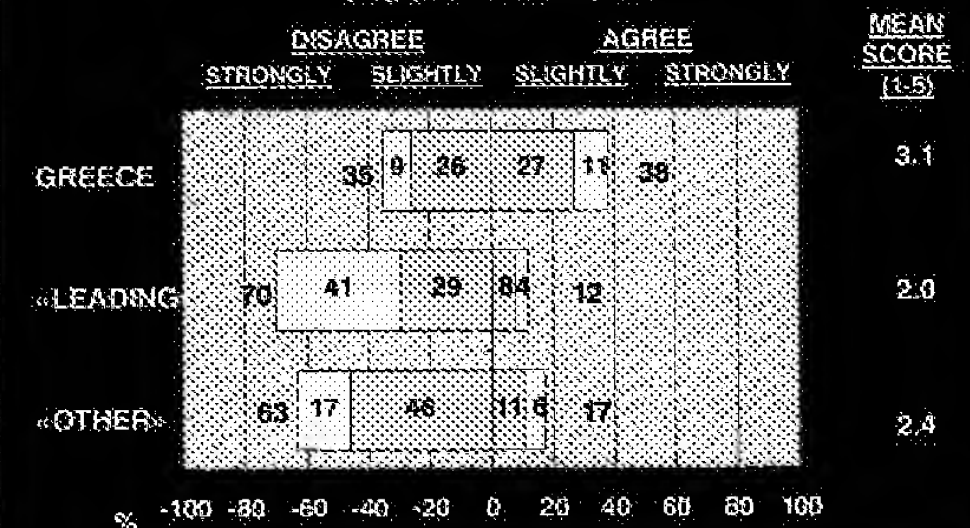
#### THE ROLE OF CREATIVE WILL BE INCREASED



#### THE ROLE OF CREATIVE WILL BE INCREASED



#### MORE EMPHASIS ON EXECUTION / ADAPTATION





In view of the new Media, technological developments, and consumer trends, Managers of all countries and sectors anticipate a growth in other sectors related to Advertising.

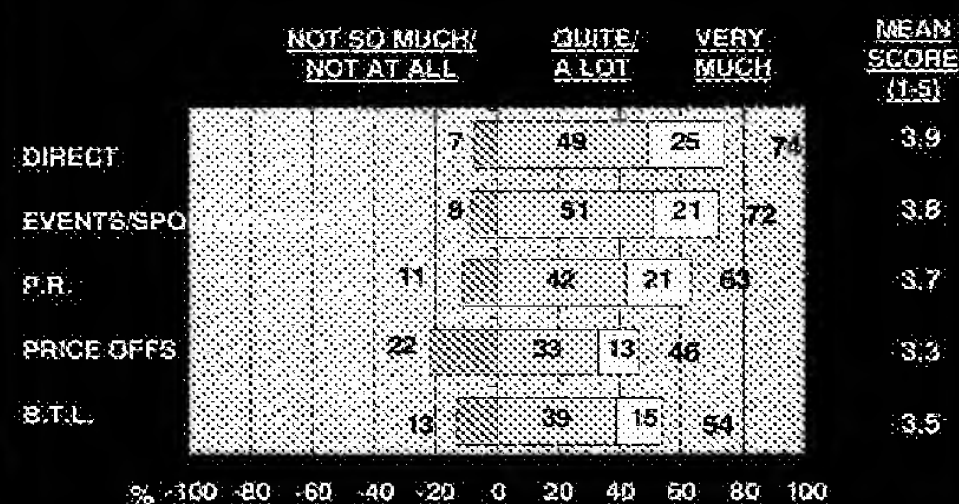
This growth is expected both at the level of increasing budgets and at that of quality, specialised skills and expertise to be developed.

Of all sectors investigated, it seems that Direct Marketing is perceived to be the fastest growing one, followed by Event Marketing and Sponsorships.

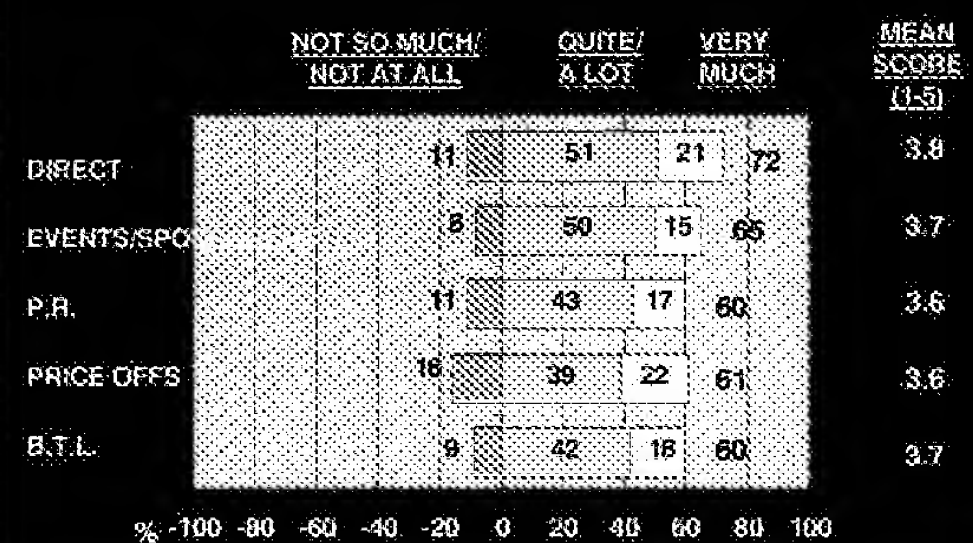
Also, the function of P.R. is expected to develop, while Promotions/BTL activities will tend to retain the strong share they already have.

Interestingly, despite the anticipated developments in all these sectors, respondents do not expect Media Advertising budgets to be significantly affected!

#### EXPECTED DEVELOPMENTS IN QUALITY, SKILLS, EXPERTISE



#### EXPECTED BUDGET DEVELOPMENT





# THE MODEL OF ADVERTISING AGENCIES IN THE FUTURE

The vast majority of respondents feel that in the future, the advertising agency's role will be quite different than today, in view of ...

The radical technological developments, the new media and the new consumer trends.

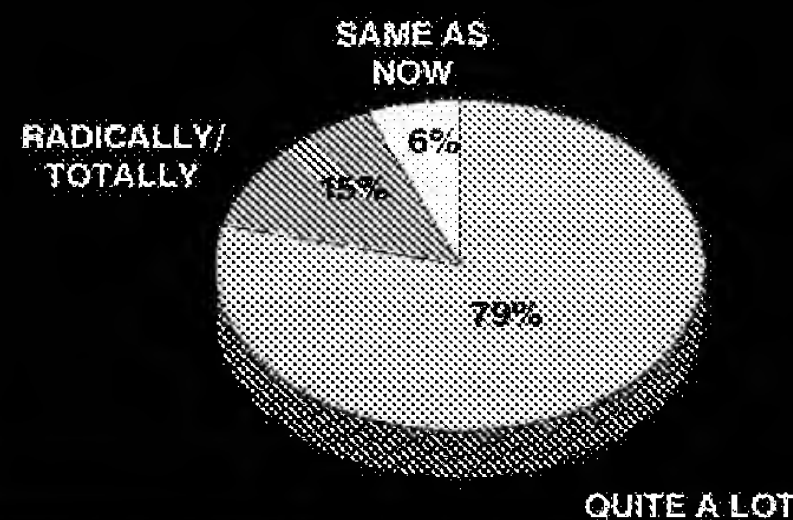
Consequently, the actions/steps that Ad Agencies will have to take in order to face the future are clear and widely accepted by the survey's audience.

In the future, advertising agencies will have to act as communication consultants for their clients, and this is expected by all countries and specializations.

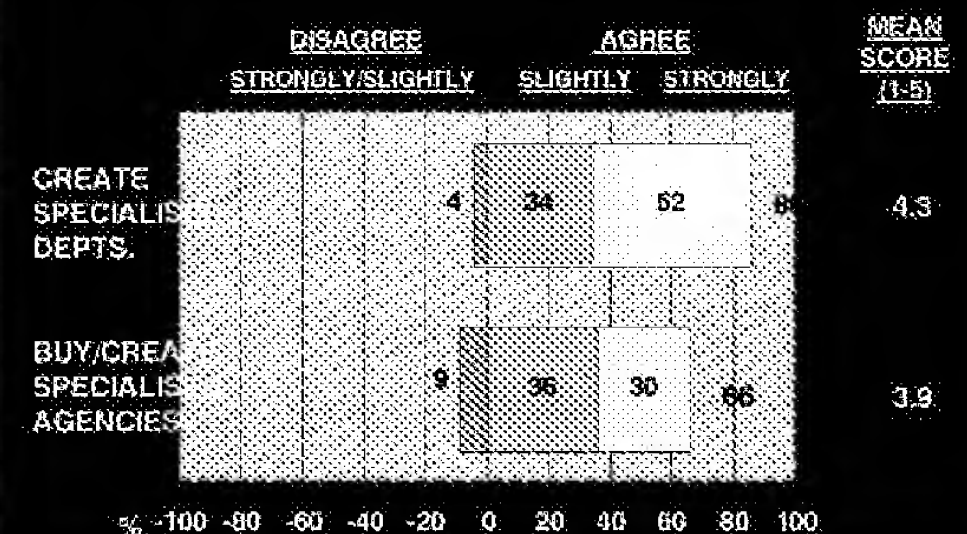
Also, ad agencies will have to either create or buy independent agencies specializing in each communication area, in view of the forthcoming complexity of advertising forms.

In order to do that, they will have to invest in new technology, to train their executives accordingly, and to acquire new executives specializing in each individual area of communication.

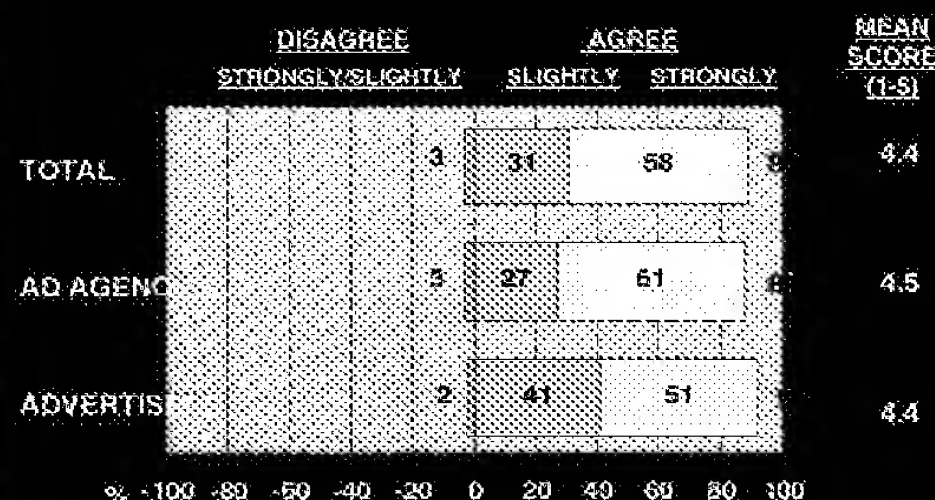
## WILL THE ROLE OF THE AD AGENCY CHANGE OR NOT?



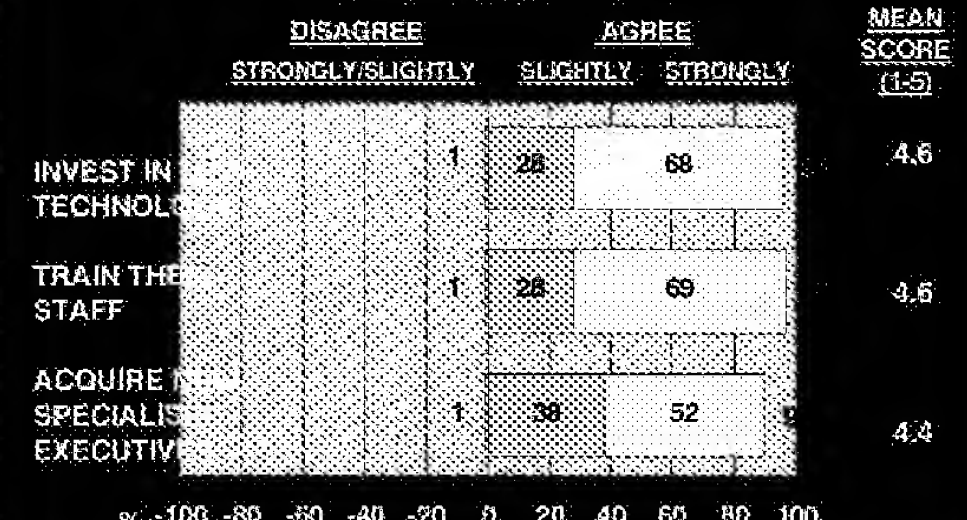
## IN THE FUTURE, ADVERTISING AGENCIES WILL HAVE TO:



## IN THE FUTURE, ADVERTISING AGENCIES WILL HAVE TO ACT AS CONSULTANTS



## IN THE FUTURE, ADVERTISING AGENCIES WILL HAVE TO:





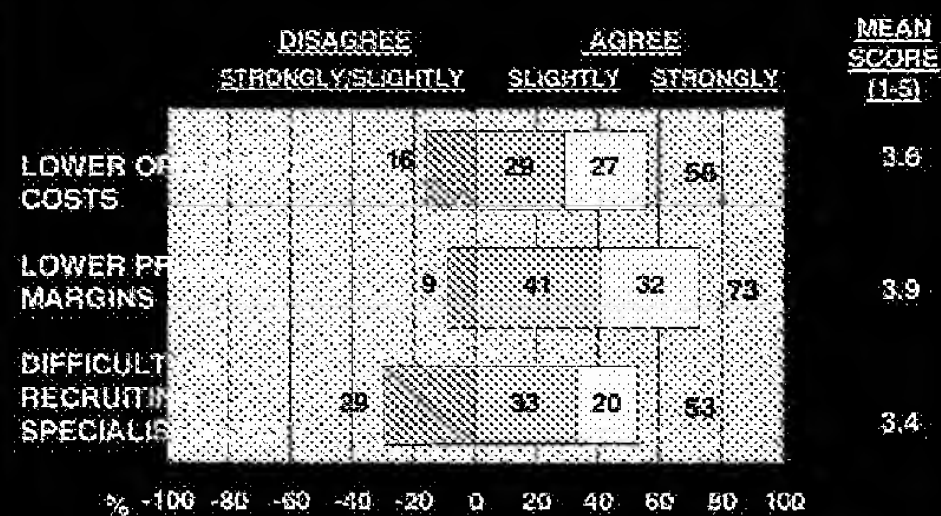
At the same time, it is expected that ad agencies will face difficulties in achieving all these steps, these difficulties ranging from the fact that ...

They are expected to lower their operating costs and profit margins, to the fact that ...

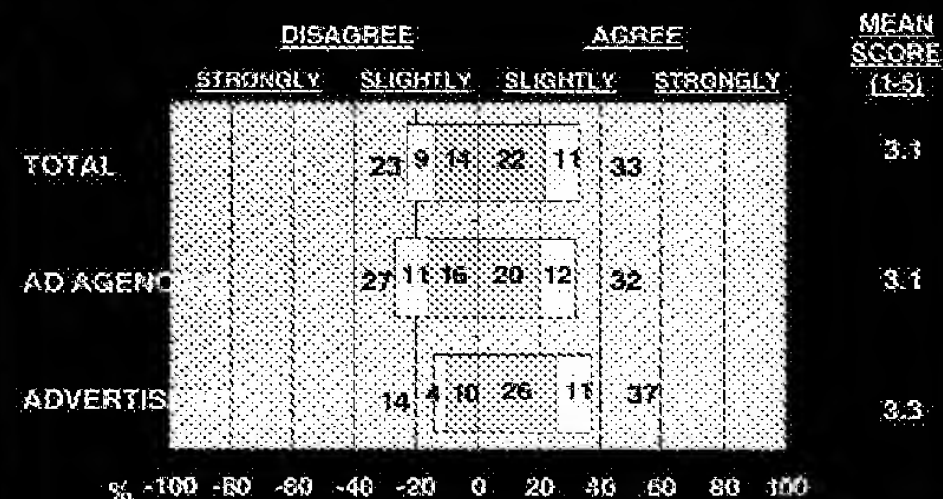
It will be hard for them to find and recruit outstanding executives in the new specializations.

Merging could be a solution to some of these difficulties as a considerable proportion of respondents believe.

#### IN THE FUTURE, ADVERTISING AGENCIES WILL HAVE:



#### IN THE FUTURE, ADVERTISING AGENCIES WILL HAVE TO MERGE





Finally, when trying to forecast the model of the Advertising Agency in the future, respondents end up with a two-pole market:

Large multinational agencies which combine all areas of communication either as departments or as separate networks working in one group, and ...

Small, flexible, high quality agencies which either specialize in one area, or act as representatives of larger groups, with low operating costs.

Dividing respondents into three groups, a) those believing that only the large multinational agencies will "survive", b) those feeling that only the small/flexible organizations will exist, and c) those who foresee that both models will continue in parallel, we observe that:

Respondents from the leading countries either believe that both models will survive, or that only the large multinational groups will remain.

On the other hand, more than half of the Greeks anticipate only multinational groups covering the advertising business, but a considerable one third believe that only small/flexible representatives will exist in Greece.

As far as the rest of the countries are concerned, respondents anticipate both models to exist either each one on its own, or simultaneously.

